

WASHINGTON (January 4) – Financial Services Committee Chairman Spencer Bachus, who proposed legislation earlier this year to place the Consumer Financial Protection Bureau (CFPB) under the direction of a bipartisan commission, released the following statement about President Obama's decision to disregard the Constitution and attempt to appoint a director for this new, unaccountable government bureaucracy:

"The President's unprecedented decision to attempt to circumvent the Constitution and ignore the law he himself signed is the clearest indication yet that he has abandoned any effort to work in a bipartisan manner to strengthen accountability and oversight of this new government bureaucracy. Some of the changes we seek, such as creating a bipartisan commission to govern the CFPB, are exactly what Democrats in Congress have voted for. Instead, the President appears to have made a purely political decision designed to placate his liberal base. In doing so, President Obama has delegitimized the CFPB and has opened the agency up to legitimate legal challenges that will cripple it for years. The greatest threat to our economy right now is uncertainty, and the President just guaranteed there will be even more uncertainty. Small businesses already being crushed by government regulations and consumers who will have an unaccountable Washington bureaucrat making decisions about the financial services they can and cannot use are the ones who stand to suffer."

The bipartisan commission legislation introduced by Chairman Bachus was included as part of H.R. 1315, sponsored by Rep. Sean Duffy. H.R. 1315 passed the House on July 21, 2011 with a bipartisan vote of 241-173. The bill:

- establishes a five-member, bipartisan commission to manage the CFPB;
- creates a meaningful review process of rules promulgated by the CFPB that takes into consideration how a proposed rule could endanger the safety of consumers' financial institutions; and
- ensures there is a Senate-confirmed chair of the bipartisan commission before the CFPB could exercise its new regulatory authority.

Congressional Democrats in 2009 sponsored and voted for legislation that would create a consumer financial protection agency to be managed by a five-member bipartisan commission.